

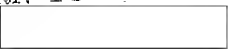


The President's Daily Brief

~~Top Secret~~ 1 June 1967



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DAILY BRIEF
1 JUNE 1967

1. Arab States -
Israel

No major new developments have occurred overnight, and the danger of an explosion has not diminished.

Israeli Prime Minister Eshkol is being hard pressed by the hawks within and outside his government. Political leaders were deliberating most of yesterday on possible cabinet changes. The result, according to late press reports, was the naming of General Moshe Dayan as defense minister, a post which has been held by Eshkol. Appointment of this hero of the 1956 campaign against Egypt would seem to be a clear gain for the activists critical of Eshkol's moderate line on the crisis.

The Egyptians continue organizing military support among their Arab allies. A high-powered delegation from Cairo made quick visits to Iraq and Syria yesterday

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Even Morocco has now joined the list of Arab states promising to place troops at Egypt's disposal if war comes.

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King Husayn told Ambassador Burns yesterday that he had felt absolutely compelled to sign the pact with Nasir in order to buy insurance for his regime. He went on to say that he had reluctantly come to the conclusion that the US Air Force training unit in Jordan should be withdrawn. He pleaded for US understanding and said he wants continued close ties with the US.

Husayn, describing his talks in Cairo, reported that Nasir is completely convinced that if Israel attacks, it will only be because the US has given it the green light.

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2. Soviet Union

We still believe the current Soviet naval activity in the Mediterranean has no direct relationship to the crisis, despite the US newspaper headlines.

The Soviets can nevertheless be expected to make the most of their naval presence to indicate their support of the Arabs.

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3. South Vietnam

Retail prices have gone up for the second week in a row. The embassy suggests that the relative stability of the past three months may be over.

4. Common Market

The upshot of the Rome "summit" meeting this week was not a diplomatic victory for De Gaulle. The other five members left him with no doubt that they will continue to press for Britain's early membership.

The next round opens in Brussels on Tuesday when the six foreign ministers get together. The French will likely try again to stall, but they will have trouble preventing some sort of movement forward.

Prime Minister Wilson recognizes that there may well still be a long obstacle course ahead, but he has reason for hope at this point. As Ambassador Bruce points out, Wilson is very hard-pressed now on the home front and has bet nearly all his political chips on the Common Market bid.

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5. Nigeria

We see little chance that the country's breakup can be reversed. The former Eastern Region, now the "Republic of Biafra," has a fairly solid economic foundation, thanks largely to its oil resources. The crumbling federal government is talking big about military action to quell the "rebellion," but it probably lacks the muscle to do so.

The secession of the East has greatly increased the danger that order will break down in other areas, particularly in the Western Region around the federal capital of Lagos. The US Embassy has requested and been granted permission to evacuate dependents of US Government and non-government personnel, beginning with those in the most endangered parts of the country.

6. Guatemala

Rightist vigilantes struck again on Tuesday. This time their victim was a prominent non-Communist congressman, a member of President Mendez' own party.

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